ABT Program

Budget System Implementation Plan

July, 2008

Revision History

Version	Prepared by	Date	Reviewed by	Approved by	Note
Original Draft	Manny Ovena	July 1, 2008	Budget selection subcommittee, ABT Team	Manny Ovena	
v.1	Manny Ovena	July 15, 2008	ABT Team	Manny Ovena	Refinements from feedback on draft document
v.2	Manny Ovena	July 18, 2008	ABT Team	Manny Ovena	Added revised schedule and costs

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1. Executive Summary

1.1 Introduction

The Accountable Business Transformation (ABT) Program is a major step forward in bringing contemporary business practices to the county. This program will implement integrated, efficient and effective financial, human resource and budget business processes that will allow the county to gain greater efficiency in providing high quality, effective and valued service to our customers.

ABT will employ strategies that address people, processes and technology changes throughout the county to effectively utilize a selected suite of integrated applications: Oracle Financials (EBS), PeopleSoft HCM[1] and a countywide budget system. To accomplish this, the ABT Program segmented its body of work into five stages:

- Business Case – the county's justification for the ABT program - October 2006

- High Level Business Plan (HLBP) – developed the ABT Program scope - September 2007

- High Level Business Design (HLBD) –the high level business process requirements to be integrated with the targeted Oracle and PeopleSoft environments - February 2008

- A parallel activity conducted during the HLBD was the ABT Program's issuance of a Request for Proposal (RFP) for the selection of a budget system to be implemented countywide and consulting services for its implementation.

- Detailed Implementation Plan (DIP) and Cost/Benefits Update – this stage consists of two efforts:

    o The Detailed Implementation Plan refines the scope and plans for the implementation phase of the project

    o The Cost/Benefits update identifies the benefits associated with proposed ABT implementation activities.

    During this period, the ABT Program evaluated responses to a budget RFP released and selected a budget system and implementer.

- System configuration and migration – this implements the approved Detailed Implementation Plan presented in the previous stage.

The budget system selection process was initiated as a parallel effort during the Detailed Implementation Planning stage. The Detailed Implementation Plan and related documents focus mainly on the Oracle Financials and PeopleSoft HCM business processes and application systems. This document, Budget System Implementation Plan, is a supplemental document to the Detailed Implementation Plan; and focuses on:

- The budget system selection process,
- Process results, and
- Recommended actions for implementing a budget system countywide.

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[1] Target systems approved by policy set by Motion 12024

1.2 Budget System Selection Process

A budget review committee[2] was established in October 2007, to meet the council budget policy direction provided to the ABT program to "standardize and streamline operating and capital budgeting by implementing a countywide public sector operating and capital budget system". The committee was charged to accomplish the following:

- Review, develop and document a countywide budget business process to be supported by a new budget system;

- Develop and implement a budget system evaluation process; and

- Evaluate budget system proposals received through a Request for Proposal (RFP) process and recommend to the ABT Program Manager:

    o A Budget system and implementer selection

    o A high level implementation schedule for the budget system

To meet these objectives, the budget review committee separated its work into two independent efforts:

- Development of a countywide budget business process, and

- Evaluation and selection recommendation of a budget system and implementer to the ABT Program Manager including a high level implementation schedule.

1.2.1 Development of a countywide budget business process

The budget business process review will be initiated as part of budget system implementation.

1.2.2 Evaluation and Selection

A subcommittee of the budget review committee was formed for the evaluation and selection process. The subcommittee, consisting of business, Office of Management and Budget, county council office and ABT Program representatives:

- Reviewed and evaluated budget system proposals received through the budget system RFP;

- Identified and invited the top three proposers to the county for system demonstrations and interviews;

- Viewed system demonstrations and interviewed the top three proposers; and

- Performed a site visit and conference calls to reference clients identified by the top three proposers.

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[2] See Appendix A: Budget process review and system evaluation committee charter

1.2.2.1 RFP Proposals Review and Evaluation

The county received five responses to a January 2008 request for proposal (RFP) soliciting proposals for a budget system and consulting services to implement a countywide budget system.

Proposer	Proposed Software
AST	• Public Sector Budgeting (PSB) • Enterprise Planning and Budgeting (EPB)
CIP Planner	• CIPAce • Third-party software
Copperleaf	• Asset Investment Planning
Neubrain	• Cognos Enterprise Planning • Cognos Business Intelligence
Oracle	• Hyperion • Discretionary Capital Expenditure Blueprint (Cap Ex)

The responses were reviewed by the budget review subcommittee and a technical evaluation team to assess functional and technical aspects of the proposals.

1.2.2.2 Vendor Demonstrations and Interviews

Vendors receiving the top three scores, Neubrain, Oracle and AST Corporation, were invited in April 2008 to the county to demonstrate their budget system and to respond to a list of interview questions. The vendor demonstrations followed a prescribed script[3] developed by the evaluation subcommittee. The demonstrations and interviews identified key strengths and weaknesses of each proposal.

1.2.2.3 Vendor Reference Site visit and Conference Calls

Reference calls; a site visit; and conference calls were initiated to address questions identified during the written evaluations, vendor demonstrations and interviews. These activities resulted in only one of the three vendors being able to prove that its software was successfully implemented in a similar public sector site with similar business requirements. Neubrain's proposal of a Cognos budget system was validated by a site visit to Howard County, MD. AST and Oracle were not able to identify a public sector implementation that would meet King County's budget system requirements.

A remaining concern for a Cognos budget system was related to the county's ability to support Cognos' technology and its integration with the county's target ERP environment of Oracle financials and PeopleSoft HCM. A meeting with Cognos was

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[3] See Appendix B: Vendor Demonstration Scripts – Budget System

conducted to discuss technology and integration requirements for the county. The meeting included participants from the evaluation subcommittee and members from the Office of Information Resource Management (OIRM), and resulted in a confirmation by OIRM that with training for specific Cognos products, Cognos can be supported in the county's current support environment. Additionally, Cognos responded to integration questions and identified their proposed solution for integration with county ERP and legacy systems. The proposed solution sufficiently addressed county concerns.

1.3. Budget System Selection Recommendation

The following chart shows the scores for the finalist proposers.

Finalist Vendor Proposers	Proposed Software
Neubrain LLC (#1) 637 Points Cost: $2.3 million	• Cognos Enterprise Planning • Cognos Business Intelligence
AST Corp (#2) 634 Points Cost: $1.7 million	• Public Sector Budgeting (PSB) • Enterprise Planning and Budgeting (EPB)
Oracle USA, Inc (#3) 554 Points Cost: $4.0 million	• Hyperion Planning • Discretionary Capital Expenditure Blueprint (Cap Ex)

The strengths of the Neubrain proposal for the Cognos system included:

- Cognos' is flexible and can be configured to meet county's operating and capital budget needs
- Cognos can best address county requirements for performance measurement, reporting and analytics.
- The county's evaluation team has seen Cognos' capital budget system working in a large county with departments with unique needs and has seen the configuration for its operating budget, which will go live next year.
- Neubrain specializes in budget systems for the public sector. As a result, Neubrain's project team consistently demonstrated an excellent understanding of public sector needs.
- Neubrain and Cognos, due to considerable work and installation in the public sector are able to draw from an extensive library of templates to build systems, processes and reports.

As a result of the evaluation process[4], the budget review subcommittee recommended

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[4] See Appendix C: Evaluation Chronology and Scoring Summary

the selection of Neubrain and the Cognos system. The recommendation was presented to the larger evaluation committee and approved.

1.4   System Implementation Schedule Recommendation

A second objective of the evaluation subcommittee was to develop a recommendation as to when the budget system would be implemented. The implementation schedule evaluation had to consider two aspects related to scheduling:

* Whether to implement both the capital and operating budget functions in a single budget system deployment or instead separate capital and operating budgeting into different deployments and phase in functionality, and

* How to schedule the single or multiple budget deployments around the other ABT project initiatives, specifically the Oracle EBS financial system and the PeopleSoft Human Resource implementations. The schedule for these two projects are as follows:

  o September 2009 – Countywide implementation of PeopleSoft HR, Benefits, and Position Management

  o January 2011 – Countywide implementation of Oracle EBS financial system

  o Three payroll migrations from MSA to PeopleSoft bi-weekly are scheduled for January 2011, July 2011, and January 2012.

The Budget subcommittee considered two scheduling options:

* Option 1 – A single Budget implementation after PeopleSoft HCM and Oracle EBS - implement both operating and capital budget systems after the Oracle financials and PeopleSoft HCM systems are implemented countywide. The new system would be implemented March/April 2011 at the beginning of the 2012 budget development cycle.

* Option 2 – Multiple Budget implementations in parallel with Peoplesoft HCM and Oracle EBS - implement operating and capital budget systems in multiple deployments (phases) and in parallel with the Oracle financials and PeopleSoft HCM systems countywide implementation. The project would be in three phases:[5]

  o Budget business process review and development – by June 2009

  o Capital budget system implementation – April 2010

  o Operating budget system implementation – April 2011

After evaluating information gathered from the review of proposals and discussions with the External Advisory Committee and other public agencies and implementation vendors the ABT Program recommended to the budget review subcommittee that the county implement the Cognos budget system using the phased approach of Option 2, implementing budget system functionality in parallel with the Oracle and PeopleSoft rollout schedule.

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[5] See Table 1: Budget Systems Implementation Schedule, p. 22; and Appendix D: Budget Systems Project Plan and Schedule.

The recommendation was accepted by the budget review subcommittee through a majority vote.

1.5 Governance Review and Recommendation

The Budget Review Committee recommendations were presented to the ABT Management Team for review and approval.

Neubrain and Cognos selection

The ABT Management Team approved the committee's recommendation to select Neubrain's proposal to implement the Cognos budget system with Neubrain as the implementer. The ABT Program Manager was given direction to initiate contract negotiations with Neubrain. Contract negotiations are in process.

Phased Implementation of the Budget Systems

The ABT Management Team raised concern over the high risk inherent in the parallel implementation of three major systems, Oracle Financials, PeopleSoft HCM and Cognos Budget system. After due consideration, the ABT Management Team recommended that the Cognos Budget system be implemented after the full implementation of Oracle and PeopleSoft. The Team cited recommendations by the External Advisory Committee, Quality Assurance consultant and City of Portland to implement financial and human resources systems prior to implementing a budget system.

An alternative recommendation to implement the Cognos budget system after Oracle Financials and PeopleSoft HCM were fully implemented was reviewed and approved by the County Executive. This recommendation will be a part of the ABT Program Detailed Implementation Plan, Cost Benefit Update and Appropriation package to be presented to the ABT Advisory Committee and ABT Leadership Committee for transmittal to the King County Council for review and approval. A revised Budget System Implementation budget and schedule is presented in Appendix F.

2. Budget System Selection Process

The ABT High Level Business Plan (HLBP) completed in June 2007 included functional requirements for a countywide budget system that can be integrated with Oracle financials and PeopleSoft HCM. The next steps identified in the HLBP for the eventual implementation of a budget system were:

- Schedule Oracle to demonstrate the Public Sector Budgeting module currently owned by the county to budget subject matter experts to inform the budget system solicitation, evaluation and selection process.

- Develop a Request for Proposal (RFP) to solicit, evaluate and select a budget system and budget system implementer.

- Review current budget processes; evaluate alternative processes that are better aligned with best practices; and determine how county budget processes can migrate to best practices.

2.1 Public Sector Budgeting Demonstration

Oracle demonstrated the Public Sector Budgeting (PSB) module to county budget subject matter experts in August 2007. Following the demonstration, attendees were requested to provide comments on the demonstration and their assessment on how well the PSB module would meet the county's budgeting requirements.

The following summarizes feedback regarding the PSB module demonstration:

Weaknesses:

o Does not meet county budget system requirements
o Demonstration was limited.
o Lack of allocation functionality
o Lack of support for multiple year project based budgets

Valued Features:

o Excel Friendliness – ability to import and export to and from Excel
o Budget organization structure independent of other accounting structure
o Budget audit trail

This information validated the ABT Program direction to develop a request for proposal (RFP) to solicit, evaluate and select a budget system and budget system implementer.

2.2 RFP development, evaluation and selection

A budget review committee[6] was established in October 2007, and charged with the responsibility to evaluate and recommend the selection of a budget system and implementer to the ABT Program Manager including a high level implementation schedule.

2.2.2 Evaluation and Selection

A subcommittee of the budget review committee was formed for the evaluation and selection process. The subcommittee, consisting of two representatives for county departments, two representatives from the Office of Management and Budget, two representatives from the county council office and three representatives from the ABT Program:

- Reviewed and evaluated budget system proposals received through the budget system RFP;

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[6] See Appendix A: Budget process review and system evaluation committee charter

- Identified and invited the top three proposers to the county for system demonstrations and interviews;

- Viewed system demonstrations and interviewed the top three proposers; and

- Performed a site visit and conference calls to reference clients identified by the top three proposers.

2.2.2.1 RFP Proposals Review and Evaluation

A request for proposal (RFP) was issued January 2008 to solicit proposals for a budget system and consulting services to implement the budget system countywide. In February 2008, the county received five responses to the RFP:

- Neubrain, proposing Cognos

- Oracle, proposing Hyperion

- AST Corporation, proposing Oracle's Public Sector Budgeting and Enterprise Planning and Budgeting

- Copperleaf Technologies, Inc, proposing Asset Investment Planning

- CIPPanner Corporation, proposing CIPAceTM

The budget review subcommittee reviewed the five written responses to the budget system request for proposal. A technical evaluation team was asked to review the technical aspects of the vendor proposals. The responses were reviewed with the following criteria:

- Budget system technical proposal – how does the proposal fit the county's technical environment?

- Budget System Requirements Matrix – how does the proposal address the functional requirements identified in the RFP?

- Quality of the Implementation Plan

- Quality of Training proposal

- Quality of maintenance and support proposal

- Response to essay questions

- Proposal's executive summary

- Proposer's general background

- Proposer's Qualifications and References

- Project Management approach and proposed project team

Based on an evaluation of the written responses, Neubrain, Oracle and AST Corporation received the top three scores from evaluation groups and were invited to the county for system demonstrations and interviews.

2.2.2.2 Vendor Demonstrations and Interviews

Vendors with the top three scores were invited to the county to demonstrate their budget system and to respond to a list of interview questions. The vendors were asked to follow a prescribed script[7] developed by the evaluation subcommittee. The demonstrations and interviews occurred in April 2008 and resulted in the following findings:

- AST's budget system proposal involved two products, Public Sector Budgeting (PSB) and Enterprise Planning and Budgeting (EPB). During the demonstration, AST announced that the Enterprise Planning and Budgeting module would no longer be supported by Oracle and therefore, proposed custom programming alternatives, Oracle's Project Management suite and another product called Score Card.

- Neubrain's Cognos budget system proposal appeared to meet county requirements for both operating and capital budgeting. A concern raised was that Neubrain appeared to be a small consulting group specializing in performance budgeting.

- Oracle's Hyperion budget system proposal included a system, Discretionary Capital Expenditure Blueprint (CapEx) to meet the capital budgeting requirements of the request for proposal. Upon demonstration of the product, the evaluation subcommittee concluded that CapEx was a capital asset management system and not a capital budgeting system. In discussing this with Oracle, Oracle offered to develop a capital budgeting system using Hyperion.

- A separate technology evaluation team raised concern over the technology requirements for Cognos and Hyperion, although there was less concern for Hyperion in that it has been newly acquired by Oracle and had a future roadmap was to integrate with other Oracle products. The team noted that the PSB product proposed by AST is currently integrated into the Oracle financial suite.

2.2.2.3 Vendor Reference Site visit and Conference Calls

To address questions identified during the written evaluations, vendor demonstrations and interviews, the subcommittee conducted reference calls to Neubrain, Oracle and AST reference sites; a site visit to Neubrain's reference site; and conference calls to both Neubrain and Oracle references.

Reference Calls

Reference calls to Neubrain, Oracle and AST clients were conducted to determine whether a site visit to the reference site would help resolve concerns raised during the written evaluations, demonstrations and interviews.

AST Corporation:

Calls to AST reference sites identified that none of the sites ran the software configuration proposed by AST during the demonstration. Upon further discussions with

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[7] See Appendix B: Vendor Demonstration Scripts – Budget System

AST, it was determined that AST's revised proposal had not been fully implemented in a public sector site similar to the county and could not be viewed in a production environment.

Neubrain:

Reference calls to Neubrain's reference site, Howard County, MD., identified that the systems demonstrated to the evaluation subcommittee were operating at Howard County. The Capital Budget system was fully implemented and the Operating Budget system was completed and would be implemented in 2008. The subcommittee decided to send a five member team to visit Howard County to view their budget systems and meet with the county project team.

Oracle:

Reference calls to Oracle reference sites identified that none of the sites ran the software configuration proposed by Oracle during the demonstration. Upon further discussion with Oracle, the evaluation subcommittee agreed to conduct conference calls with potential sites Oracle identified as using a Hyperion based budget system.

Site Visit

A five member team consisting of two business representatives, two council staff members and an ABT program member, conducted a site visit to Howard County to view their capital and operating budget systems. The team interviewed the county staff that worked with Neubrain in the configuration of the systems to meet their needs. The Howard County system demonstrations and interviews eased the evaluation team's concerns related to Cognos technology and Neubrain as an implementer.

The county project team consisted of a budget lead for the capital budget system and a budget lead for the operating budget system working with one to two Neubrain consultants. The leads indicated that they did most of the configurations needed to build the budget systems. Neubrain provided the technical services needed to install and implement the system servers used for the project; and was responsible for developing interfaces with the county's finance and human resources/payroll systems. The Howard County staff indicated that the Cognos development tools were not overly complex. The site visit team was not able to interview Howard County technical staff regarding Cognos' technology requirements. A phone interview with Howard County technical staff was conducted at a later date.

Discussions with Howard County project members and the Neubrain project manager revealed a close and congenial working relationship between Howard County and Neubrain. The county staff felt that Neubrain consultants brought business and technical expertise to the project enabling a successful system implementation. The Howard County team highly recommended Neubrain.

As part of the site visit, the evaluation team attended a Cognos Government Forum to view how other public sector clients use Cognos and to interview another Neubrain client affiliated with the USAF. Unfortunately the USAF contact was called away prior to an interview. A follow-up call was conducted to interview this client.

Conference Calls

The evaluation subcommittee conducted several conference calls. In the case of Oracle, the conference calls were to determine whether a reference site had a Hyperion budget system implementation that matched county requirements enough to warrant a site visit, and in the case of Neubrain, the conference calls were follow-up interviews of Howard County staff and other references missed during the Howard County site visit.

Oracle:

In light of King County's current installed base of Oracle financials, PeopleSoft Human Resource/Payroll and Essbase budget systems – all Oracle products, the evaluation subcommittee wanted to fully evaluate Oracle's Hyperion budget system's ability to meet the county's capital and operating budget systems requirements. Consequently, the subcommittee interviewed three Oracle clients, a public sector client, the University of California at Los Angeles (UCLA), and two private sector clients, Lockheed – Martin and Univar.

The subcommittee's interview with a UCLA representative confirmed the subcommittee's assessment that the Hyperion product has limited presence in the public sector and that UCLA's use of the product did not address the county's budget functional requirements. Further conference calls with the two private sector clients identified that Lockheed – Martin's Hyperion application was more of a contract management system, and that Univar's system, although an operating budget system, was used to consolidate budget requests and did not reflect the multiple layers of budget development and approvals required by the county.

Neubrain:

The subcommittee conducted two follow-up conference calls related to Neubrain's proposal. The group contacted a USAF client for whom Neubrain developed a worldwide personnel budgeting system; and Howard County's Chief Information Officer (CIO) and budget system technical support staff.

The conference call with the USAF client confirmed Neubrain's capability to implement large budget system efforts. The client noted that Neubrain designed technical interfaces needed from the USAF finance and human resources/payroll systems; and was responsible for ensuring that periodic files from these systems were properly imported into the budget system. The client observed that this was a big challenge to the project in that assistance and support of large separate USAF departments were needed and required collaboration over multiple layers of bureaucracy.

The evaluation subcommittee's discussion with the Howard County CIO and technical staff provided insight on the technology requirements for Cognos. Howard County' current technical support of the Cognos budget system consists of .5 FTE for systems support and .5 FTE for programming and report writing. Although Howard County is half the size of King County, the information provided a useful benchmark to assess support requirements for a King County Cognos budget system.

2.2.3   Budget System Selection Recommendation

Budget System selection was accomplished through two votes: a preliminary vote

following completion of conference calls to vendors' clients, and a formal vote following the final review of the top three vendors and their scores. In both cases, the majority vote was for Neubrain and Cognos.

The preliminary vote raised concern regarding the county's ability to support Cognos' technology and its integration with the target ERP environment of Oracle financials and PeopleSoft HCM. As a result, a follow-up session with Cognos was scheduled to discuss Cognos' technology and integration with Oracle and PeopleSoft.

A meeting with Cognos to discuss technology and integration requirements for the county included participants from the evaluation subcommittee and members from the Office of Information Resource Management (OIRM). The meeting resulted in a confirmation by OIRM that with training for specific Cognos products, Cognos can be supported in the county's current support environment. Additionally, Cognos responded to integration questions and identified their proposed solution for integration with county ERP and legacy systems. The proposed solution appeared acceptable to the evaluation subcommittee and OIRM participants.

Recommendation[8]

Completing the follow-up session, the evaluation subcommittee finalized its scoring of the top three vendors and recommended the selection of Neubrain and the Cognos system. The final scores for the top three vendors were:

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[8] See Appendix C: Evaluation Chronology and Scoring Summary

Finalist Vendor Proposers	Proposed Software
Neubrain LLC (#1) 637 Points Cost: $2.3 million	• Cognos Enterprise Planning • Cognos Business Intelligence
AST Corp (#2) 634 Points Cost: $1.7 million	• Public Sector Budgeting (PSB) • Enterprise Planning and Budgeting (EPB)
Oracle USA, Inc (#3) 554 Points Cost: $4.0 million	• Hyperion Planning • Discretionary Capital Expenditure Blueprint (Cap Ex)

Neubrain's proposal scored the highest because of the range of functionality offered and a proven successfully public sector implementation validating that the proposal could deliver on the county's budget requirements. The strengths of the Neubrain proposal for the Cognos system included:

- Cognos' is flexible and can be configured to meet county's operating and capital budget needs
- Cognos can best address county requirements for performance measurement, reporting and analytics.
- The county's evaluation team has seen Cognos' capital budget system working in a large county with departments with unique needs and has seen the configuration for its operating budget, which will go live next year.
- Neubrain specializes in budget systems for the public sector. As a result, Neubrain's project team consistently demonstrated an excellent understanding of public sector needs.
- Neubrain, because of their prior public sector work and installations, can draw from an in-house library of templates to build systems, processes and reports.

The recommendation was presented to the larger evaluation committee and the ABT Management Team and approved.

The ABT Program is currently in the process of negotiating a contract and scope of work with Neubrain.

2.2.4   System Implementation Schedule Recommendation

A second objective of the evaluation subcommittee was to develop a recommendation as to when the budget system would be implemented. The implementation schedule

evaluation had to consider two aspects related to scheduling:

- Whether to implement both the capital and operating budget functions in a single budget system deployment or instead separate capital and operating budgeting into different deployments and phase in functionality, and

- How to schedule the single or multiple budget deployments around the other ABT project initiatives, specifically the Oracle EBS financial system and the PeopleSoft Human Resource implementations. The schedule for these two projects are as follows:

  o September 2009 – Countywide implementation of PeopleSoft HR, Benefits, and Position Management

  o January 2011 – Countywide implementation of Oracle EBS financial system

  o Three payroll migrations from MSA to PeopleSoft bi-weekly are scheduled for January 2011, July 2011, and January 2012.

Two options were evaluated by the Budget subcommittee:

- Option 1 – Single Budget implementation after PeopleSoft HCM and Oracle EBS - implement both operating and capital budget systems after the Oracle financials and PeopleSoft HCM systems are implemented countywide. The new system would be implemented March/April 2011 at the beginning of the 2012 budget development cycle.

- Option 2 – Multiple Budget implementations in parallel with Peoplesoft HCM and Oracle EBS - implement operating and capital budget systems in multiple deployments (phases) and in parallel with the Oracle financials and PeopleSoft HCM systems countywide implementation.

The ABT Program's strategy for evaluating the two alternative approaches was to leverage experiences gained by other public agencies and vendors implementing budget systems; and to explore the key activities of a budget system implementation effort.

The ABT Program discussed budget implementation approaches with the ABT External Advisory Committee consisting of non-county technology executives from the private and public sectors; and public agencies and vendors that have implemented an enterprise wide budget system. Additionally, vendors responding to the Budget system RFP were requested to provide single and phased alternatives for implementing the budget system and identify the strengths and weaknesses of each approach.

Option 1 vs. Option 2

In discussing the two implementation approaches with the External Advisory Committee, the group raised concern over the magnitude of the ABT Program scope. The committee members felt that implementing a budget system along with an Oracle and PeopleSoft implementation presents a high level of risk. The risks include the

added complexity of data conversions and integration, requiring different cross-walks and conversion rules for data and integration needed between the budget system and legacy or new financial and HR systems. The committee advised that a budget system should be implemented after the countywide implementation of Oracle and PeopleSoft. Discussions with the city of Portland which recently implemented a citywide budget system advised that stable finance and human resource/payroll systems are important prior to implementing a budget system.

Review of the budget system RFP responses identified different views of budget system implementation.   Of the five respondents, two vendors recommended a phased implementation while one recommended a single implementation for capital and operating budget systems. The remaining two vendors offered implementation plans for both options, but did not recommend one over the other. The selected vendor, Neubrain recommended a phased implementation. Neubrain's rationale for the recommendation is that a phase approach will help achieve business benefits quickly and reduce implementation risks. The evaluation subcommittee's site visit to Neubrain's reference site, Howard County, and conference call to another client, USAF, corroborated Neubrain's assertion. In each case, the phasing of functionality resulted in the delivery of working budget system models within a five to six month period.

A review of the Howard County implementation identified the development of a budget system to be a more streamlined approach than that of an ERP implementation. Howard County's team consisted mainly of a functional lead and one to two Neubrain consultants for each budget system (operating and capital). The Howard County functional leads once trained in the Cognos tools worked with users to develop system specifications and configure the budget systems using Cognos end user tools. Neubrain provided consulting services for interfacing the systems to Howard County's finance and human resource/payroll systems and for systems support. The project was less complex than a finance or human resources/ payroll implementation project with fewer modules to configure, fewer number of business processes to optimize and requiring less staff to implement.

Neubrain's proposal to King County is similar in that it identifies a consulting team of four Cognos consultants over a period of twelve months. The county team will consist of a Project Manager, a technical analyst and two teams of a functional lead and functional analyst for the capital and operating budget system, respectively. These teams will be supplemented by county budget system users during business requirements gathering and the user acceptance testing process; and by technical staff to support system technology.

Recommendation

In light of the information gained from the review of proposals and discussions with the External Advisory Committee, other public agencies and implementation vendors, the ABT Program recommended to the budget review subcommittee that the county

implement the Cognos budget system with a phased approach, implementing budget system functionality in parallel with the Oracle and PeopleSoft rollout schedule. The project would be in three phases:[9]

- Budget business process review and development

- Capital budget system implementation

- Operating budget system implementation

The recommendation was accepted by the budget review subcommittee based on a 7 – 2 vote. The following comments were made by the subcommittee and ABT QA consultant in regards to the recommendation to implement the Cognos budget system with a phased approach:

- The two business representatives agreed with the recommendation. They stated that waiting for a budget system until after the Oracle and PeopleSoft systems were fully implemented by January 2012 was too long a wait, and that a phased approach would help meet the critical need of common budget systems sooner and provide benefits to the businesses in a more timely manner. The business representatives concluded that Neubrain's approach to the development of a budget system reduced costs and risks by using a small development and implementation team. The Howard County and USAF implementations corroborated this opinion.

- The council staff members agreed with the business representatives' assessment and added that a capital budget system was a high priority for the council. A delivery date of January 2012 for a budget system would not meet the council's needs.

- The Office of Management and Budget representatives voted against the phased implementation, noting there was substantial risk in phasing the implementation of the budget system. A list of questions and concerns was provided to the ABT Program Manager for review and response. [10]

- The ABT Quality Assurance consultant recommended to the ABT Management Team that the ABT Program develop a Risk Analysis of the recommendation.[11]

2.3 Countywide budget business process

The ABT program's strategy to develop a countywide budget business process was to retain a consultant that would facilitate business process development work sessions with the budget review committee and county budget subject matter experts. A statement of work was issued to vendors listed on the county's Information Technology consulting services roster, and to a county list of recruiting services in late 2007 and early 2008. However, the ABT program manager was unable to find a resource that met the county's requirements and this effort was suspended in order to focus on the budget system and budget system implementer

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[9] See Table 1: Budget Systems Implementation Schedule, p. 22; and Appendix D: Budget Systems Project Plan an Schedule
[10] See Appendix E: Response to OMB Concerns on Budget Systems Phasing
[11] See Table 6: Budget Systems Risk Assessment, p. 28.

evaluation and selection process. The budget business process review will be a part of the budget system implementation plan.

3.   Implementation Project Plan and Schedule

The ABT Program schedule for a proposed phased implementation of the county capital and budget systems is presented in Table 1: Budget Systems Implementation Schedule. The project will be three phases:

- Budget business process review and development
- Capital budget system implementation
- Operating budget system implementation

3.1   Budget business process review and development

A business process review and development will be initiated as the first phase of the budget systems project. The budget business process review and development process will begin January 2009 and will be completed June 2009. This phase will review current county budget business processes, evaluate best practices identified through discussions with peers, consultants and other information groups, and develop a common budget business process countywide for capital and operating budgeting. This phase will work with ABT's Oracle Financial and PeopleSoft HCM systems project teams to evaluate the business interface requirements for the budget system. The results will be business process requirements for countywide capital and operating budget systems.

3.2   Capital budget system implementation

The Capital budget system development effort will be initiated after business process review. The capital budget system is scheduled for development beginning in July 2009 with implementation in April 2010 to support development of the 2011 capital budget. This effort will work in parallel with the Oracle Financials and PeopleSoft HCM implementations and will share a new chart of accounts with the financial system and organizational structure with the human resources/payroll and benefits system. The capital budgeting system will be developed to interface with the new Oracle and PeopleSoft systems; however, there may be a need to have file transfer capabilities with legacy finance and human resources systems. To minimize the need for complex and costly interfaces; the capital budget system will rely mainly on batch file transfer interfaces when needed. The capital budgeting system will include key CIP reports and some performance management functionality required by county businesses and oversight agencies.

3.3 Operating budget system implementation

The operating budget system development effort will begin prior to the implementation of the capital budget system. The development effort will begin in October 2009 and completed in June 2010. However, the system will not be rolled out for full implementation until April 2011 to support development of the 2012 operating budget. The delay between June 2010 and April 2011 will assist in the thorough testing of the system in light of the Oracle Financials implementation in January 2011, support of the capital budget system, and development of budget and performance management reports for both capital and operating. The remaining period from June 2011 to December 2011, is dedicated to the support of the budget systems and the enhancement of interfaces, functionality and performance management reporting.

3.4 Implementation Plan and Schedule

Table 1 is a high level view of the implementation plan and schedule. A more detailed plan is presented in Appendix D: Budget Systems Project Plan and Schedule.

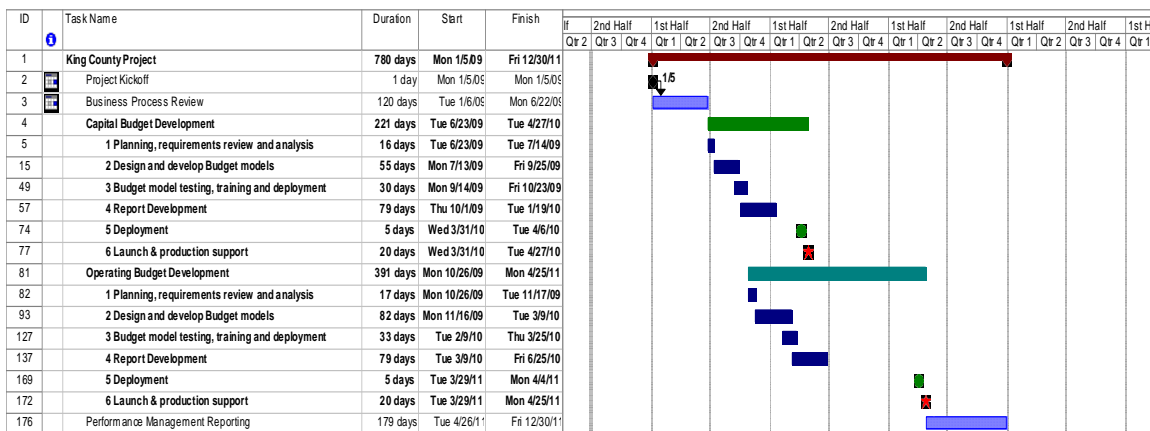| ID	Task Name	Duration	Start	Finish
1	**King County Project**	**780 days**	**Mon 1/5/09**	**Fri 12/30/11**
2	Project Kickoff	1 day	Mon 1/5/09	Mon 1/5/09
3	Business Process Review	120 days	Tue 1/6/09	Mon 6/22/09
4	**Capital Budget Development**	**221 days**	**Tue 6/23/09**	**Tue 4/27/10**
5	1 Planning, requirements review and analysis	16 days	Tue 6/23/09	Tue 7/14/09
15	2 Design and develop Budget models	55 days	Mon 7/13/09	Fri 9/25/09
49	3 Budget model testing, training and deployment	30 days	Mon 9/14/09	Fri 10/23/09
57	4 Report Development	79 days	Thu 10/1/09	Tue 1/19/10
74	5 Deployment	5 days	Wed 3/31/10	Tue 4/6/10
77	6 Launch & production support	20 days	Wed 3/31/10	Tue 4/27/10
81	**Operating Budget Development**	**391 days**	**Mon 10/26/09**	**Mon 4/25/11**
82	1 Planning, requirements review and analysis	17 days	Mon 10/26/09	Tue 11/17/09
93	2 Design and develop Budget models	82 days	Mon 11/16/09	Tue 3/9/10
127	3 Budget model testing, training and deployment	33 days	Tue 2/9/10	Thu 3/25/10
137	4 Report Development	79 days	Tue 3/9/10	Fri 6/25/10
169	5 Deployment	5 days	Tue 3/29/11	Mon 4/4/11
172	6 Launch & production support	20 days	Tue 3/29/11	Mon 4/25/11
176	Performance Management Reporting	179 days	Tue 4/26/11	Fri 12/30/11

Table 1: Budget Systems Implementation Schedule

4. Project Resources

Project Resources are identified in Table 2. The Neubrain project team will consist of a project manager and four consultants for a staffing of .16 to 1.5 FTEs over three years. The King County project team will consist of a project manager, 2 functional leads, 2 functional analysts and a technical analyst for a staffing of 5.42 to 7.0 FTEs over three years.

	FTEs	Year 1	FTEs	Year 2	FTEs	Year 3	Total FTEs	Total
Budget Business Review								
Neubrain Consultant	0.20	89,760					**0.20**	89,760
KC Project Manager	0.42	58,310					**0.42**	58,310
KC Project Administrator	0.42	58,310					**0.42**	58,310
KC Functional Lead Capital)	0.42	58,310					**0.42**	58,310
KC Functional Lead (Operating)	0.42	58,310					**0.42**	58,310
Total Budget Review	**1.87**	323,000	**0.00**	0	**0.00**	0	**1.87**	323,000
Capital Budget								
Neubrain Project Manager	0.02	8,800	0.02	7,040			**0.04**	15,840
Neubrain Consutant 1	0.36	158,400	0.06	26,400			**0.42**	184,800
Neubrain Consultant 2	0.31	124,800					**0.31**	124,800
Neubrain Consultant 3	0.22	86,400	0.13	52,800			**0.35**	139,200
KC Project Manager	0.29	40,810	0.50	70,000	0.50	70,000	**1.29**	180,810
KC Project Administrator	0.29	40,810	0.50	70,000	0.50	70,000	**1.29**	180,810
KC Functional Lead	0.58	81,690	1.00	140,000	1.00	140,000	**2.58**	361,690
KC Functional Analyst	0.58	81,690	1.00	140,000	1.00	140,000	**2.58**	361,690
KC Technical Analyst	0.46	65,107	0.50	71,000	0.50	71,000	**1.46**	207,107
Total Capital Budget	**3.12**	688,507	**3.71**	577,240	**3.50**	491,000	**10.32**	1,756,747
Operating Budget								
Neubrain Project Manager	0.01	5,280	0.01	3,520	0.02	7,040	**0.04**	15,840
Neubrain Consutant 1	0.20	86,240	0.24	105,600			**0.44**	191,840
Neubrain Consultant 2	0.20	78,400	0.22	89,600	0.06	24,000	**0.48**	192,000
Neubrain Consultant 3			0.28	110,400	0.02	8,000	**0.30**	118,400
Neubrain Consultant 4			0.30	120,000	0.06	24,000	**0.36**	144,000
Neubrain Training Resource			0.08	117,600			**0.08**	117,600
KC Project Manager	0.29	40,810	0.50	70,000	0.50	70,000	**1.29**	180,810
KC Project Administrator	0.29	40,810	0.50	70,000	0.50	70,000	**1.29**	180,810
KC Functional Lead	0.58	81,690	1.00	140,000	1.00	140,000	**2.58**	361,690
KC Functional Analyst	0.25	35,000	1.00	140,000	1.00	140,000	**2.25**	315,000
KC Technical Analyst	0.13	17,750	0.50	71,000	0.50	71,000	**1.13**	159,750
Total Operating Budget	**1.54**	385,980	**3.50**	1,037,720	**3.50**	554,040	**8.54**	1,977,740
TOTAL NEUBRAIN TEAM	**1.52**	638,080	**1.34**	632,960	**0.16**	63,040	**3.01**	1,334,080
Total KING COUNTY TEAM	**5.42**	759,407	**7.00**	982,000	**7.00**	982,000	**19.42**	2,723,407
Total Budget System Project	**6.93**	1,397,487	**8.34**	1,614,960	**7.16**	1,045,040	**22.43**	4,057,487

Table 2: Budget Systems Implementation Project Resources

5.   Budget Systems Budget Plan

The estimated budget for the Budget Systems Project is $4.8M over three years. With contingencies of 30%, 25% and 20%, the total budget estimates over three years are $6.3M, $6.0M, and $5.8M, respectively.

	2009	**2010**	**2011**	**Total**
Budget System				
Consulting	638,080	632,960	63,040	1,334,080
Project Team	759,407	982,000	982,000	2,723,407
PMO	80,000	80,000	80,000	240,000
Software Licenses (1)	53,178	0	0	53,178
Software Maintenance	0	119,500	119,500	239,000
Hardware/Licenses	150,335	0	0	150,335
OCM/Training/Communications		40,000	40,000	80,000
Facilities	8,000	8,000	8,000	24,000
Total Project Budget	1,689,000	1,862,460	1,292,540	4,844,000
contingency 30%	506,700	558,738	387,762	1,453,200
TOTAL @ 30% Cont.	2,195,699	2,421,198	1,680,302	6,297,199
contingency 25%	422,250	465,615	323,135	1,211,000
TOTAL @ 25% Cont.	2,111,249	2,328,075	1,615,675	6,054,999
contingency 20%	337,800	372,492	258,508	968,800
TOTAL @ 20% Cont.	2,026,799	2,234,952	1,551,048	5,812,799

(1) Software costs are $650,678
$597,500 + Tax. $597,500 is in the 2008 ABT Program budget

Table 3: Implementation Costs Yrs. 1 to 3

6.   Risk Analysis

The following were identified as risks associated with the Budget Systems Project:

- Selection of Neubrain as an implementer
- Selection of Cognos as the budget system
- Phased implementation of the budget systems in parallel with Oracle and PeopleSoft migration schedule

These risks and related risks are identified in Table 6: Budget Systems Risk Assessment. Table 6 is a listing of identified risks, an assessment of severity of risk, probability of occurrence without mitigation, combined risk score, actions completed to mitigate risks, revised combined risk score and future mitigation strategies.

7. Governance Review and Recommendation

The Budget Review Committee recommendations were presented to the ABT Management Team for review and approval.

Neubrain and Cognos selection

The ABT Management Team approved the committee's recommendation to select Neubrain's proposal to implement the Cognos budget system with Neubrain as the implementer. The ABT Program Manager was given direction to initiate contract negotiations with Neubrain. Contract negotiations are in process.

Phased Implementation of the Budget Systems

The ABT Management Team raised concern over the high risk inherent in the parallel implementation of three major systems, Oracle Financials, PeopleSoft HCM and Cognos Budget system. After due consideration, the ABT Management Team recommended that the Cognos Budget system be implemented after the full implementation of Oracle and PeopleSoft. The Team cited recommendations by the External Advisory Committee, Quality Assurance consultant and City of Portland to implement financial and human resources systems prior to implementing a budget system.
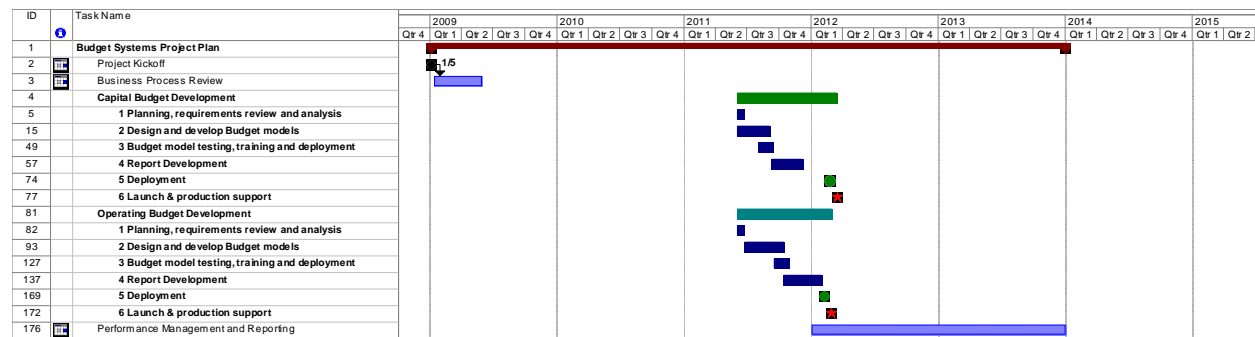
After consideration of the Budget Review Committee's recommendation, the ABT Management Team's recommendation and the advice of the External Advisory Committee and the Quality Assurance consultant, the Executive Sponsor, Ron Sims recommends implementation of the Cognos budget system after Oracle Financials and PeopleSoft HCM are fully implemented. The cost for the budget system process redesign and system implementation is included in the Executive's proposed ABT budget. The implementation schedule recommendation for the budget system is included in the ABT Program Detailed Implementation Plan, Cost Benefit Update and Appropriation package to be presented to the ABT Advisory Committee and ABT Leadership Committee prior to transmittal to the King County Council for their consideration. A revised Budget System Implementation budget and schedule is presented below.

7.1 Revised Implementation Plan and Schedule

The revised implementation plan starts with a Budget Business Process Review to be conducted early in 2009 with an expected completion date of June, 2009. The review will define the new business processes for both Capital and Operational budget development and maintenance. This early review provides for alignment of the new budget business process design with the business process designs for the new Oracle Financial and PeopleSoft HCM systems and identifies the future integration needed between the three systems. It also sets the stage for the technical design of the new budget system. Implementation of the new budget system will occur in April, 2012 at the start of the 2013 budget development cycle. In December 2012, the budget system project will implement performance management and reporting.

Table 4 is a high level view of the revised implementation plan and schedule. A more detailed plan is presented in Appendix F: Revised Budget Systems Project Plan and Schedule.

Table 4: Revised Budget Systems Implementation Schedule

ID	Task Name
1	**Budget Systems Project Plan**
2	Project Kickoff
3	Business Process Review
4	**Capital Budget Development**
5	1 Planning, requirements review and analysis
15	2 Design and develop Budget models
49	3 Budget model testing, training and deployment
57	4 Report Development
74	5 Deployment
77	6 Launch & production support
81	**Operating Budget Development**
82	1 Planning, requirements review and analysis
93	2 Design and develop Budget models
127	3 Budget model testing, training and deployment
137	4 Report Development
169	5 Deployment
172	6 Launch & production support
176	Performance Management and Reporting

7.2 Revised Implementation Plan Costs

The estimated budget for the revised implementation plan for the Budget Systems Project is $4.8M over five years as shown in Table 5 below. With contingencies of 30%, 25% and 20%, the total budget estimates over five years are $6.3M, $6.0M, and $5.8M, respectively.

Table 5: Revised Implementation Schedule - Costs Yrs. 1 to 5

Budget System	2009	2010	2011	2012	2013	Total
Consulting	89,760	117,600	585,440	19,360	19,360	831,520
Project Team	233,240	0	572,786	562,000	398,690	1,766,716
PMO	99,539	84,153	56,309	39,832	30,147	309,979
Software Licenses[1]	597,500	200,000	0	0	0	797,500
Software Maintenance	119,500	163,500	163,500	188,025	188,025	822,550
Hardware/Licenses	516,000	36,315	36,315	41,762	41,762	672,154
OCM/Training/Communications	20,000	40,000	40,000	44,569	46,797	191,366
Facilities	8,000	8,000	8,000	8,000	8,000	40,000
From 2008 Budget	(597,500)	0	0			(597,500)
Total Project Budget	1,086,039	649,568	1,462,350	903,548	732,781	4,834,285
30% Contingency	325,812	194,870	438,705	271,064	219,834	1,450,285
Total with 30% contingency	1,411,850	844,438	1,901,055	1,174,612	952,615	6,284,570
25% Contingency	271,510	162,392	365,587	225,887	183,195	1,208,571
Total with 25% contingency	1,357,548	811,960	1,827,937	1,129,435	915,976	6,042,856
20% Contingency	217,208	129,914	292,470	180,710	146,556	966,857
Total with 20% contingency	1,303,246	779,481	1,754,820	1,084,258	879,337	5,801,142

[1] Software costs are $597,500 + Tax. $597,500 is in the 2008 ABT Program budget

Table 6: Budget Systems Risk Assessment

Severity of Risk. Scores are 1 to 3. 1 = low 2 = medium 3 = high Probability of occurrence without mitigation. Scores are 1 to 3. 1 = low 2 = medium 3 = high Combined Risk (Severity x Probability) Green = 1 - 3, Yellow = 4 - 6, Red = 7 - 9							
Description of Risk	Severity	Probability	Combined Risk	Actions to Date	Revised Probability	Revised Combined Risk	Future Actions
Vendor and System Selection							
Neubrain appears to be a small consulting group specializing in performance budgeting. Neubrain may not have enough staff resources to successfully implement a capital and operating budget system for King County.	3	2	6 Yellow	- Evaluation subcommittee performed site visits and interviewed key Howard County staff and USAF client to assess Neubrain's ability to deliver. - Cognos was interviewed to identify mitigation strategies if Neubrain does not deliver. - Cognos has expressed a willingness to provide support to Neubrain and King County. Cognos involvement is identified in Neubrain's proposal.	1.5	4.5 Yellow	- Contract negotiations will more specifically identify resources Neubrain will bring to the project. - Cognos' role will be specified in the contract - A statement of work will be developed identifying specific expecations.
Cognos is a third party system that may require technology not supported by King County.	2	2	4 Yellow	- Follow-up sessions with Howard County CIO and support staff were conducted to evaluate technical support requirements. HC requires .5 FTE for programming/report development support and .5 FTE for systems support. - Follow-up session with Cognos involving OIRM and evaluation committee members to evaluate technology and integration tools. As a result, OIRM stated that with training on Cognos specific applications, Cognos is supportable in the current technology support environment.	1	2 Green	- OIRM staff will be trained in Cognos support

7/20/2008

Table 6:   Budget Systems Risk Assessment

Severity of Risk. Scores are 1 to 3. 1 = low 2 = medium 3 = high Probability of occurrence without mitigation. Scores are 1 to 3. 1 = low 2 = medium 3 = high Combined Risk (Severity x Probability) Green = 1 - 3, Yellow = 4 - 6, Red = 7 - 9							
Phased Implementation							
ABT will implement Oracle and PeopleSoft countywide in years 1 to 3; adding a budget implementation during the same period significantly increases scope and program risk.	3	3	9 Red	- the evaluation team interviewed the HC project team and Neubrain to evaluate resource requirements for the budget project. HC required a 3 person team each for Capital and Operating budgets. - Discussions with the USAF identified a project team consisting of 1 USAF staff and 1 to 2 Neubrain consultants. - Neubrain's proposal for King County is similar in staffing requirements identifying significantly less resources and complexity as the Oracle and PeopleSoft projects. - Scope assumptions are identified in the implementation plan noting that interfaces prior to the full implementation of Oracle Financials will be file transfers similar to today's interfaces. Interfaces following will be automated periodic uploads and downloads vs. real time interfaces.	2	6 Yellow	- A detailed statement of work will be developed with Neubrain which will include refinement of the implementation plan.
Interfaces between the budget system, legacy systems and new systems will be complex and result in costly throw away interfaces.	3	2.5	7.5 Red	- Scope assumptions are identified in the implementation plan noting that interfaces prior to the full implementation of Oracle Financials will be file transfers similar to today's interfaces. Interfaces following will be automated periodic uploads and downloads vs. real time interfaces.	1.5	4.5 Yellow	- Scope assumptions will be specifically identified in a budget system implementation plan. - Change management will be strictly followed and issues escalated through the governance process.

7/20/2008

Table 6: Budget Systems Risk Assessment

Severity of Risk. Scores are 1 to 3. 1 = low 2 = medium 3 = high Probability of occurrence without mitigation. Scores are 1 to 3. 1 = low 2 = medium 3 = high Combined Risk (Severity x Probability) Green = 1 - 3, Yellow = 4 - 6, Red = 7 - 9						
The budget project will be negatively impacted by any slippage in the Oracle Financial system implementation in that the capital budget system is scheduled for implementation April 2010 for the 2011 capital budget year while the Oracle EBS implementation is scheduled for January 2011. If the EBS implementation is delayed, the users of the capital budget system must be able to view their capital budgets with the legacy systems' chart of accounts.	3	2	6 Yellow	- Chart of Accounts development is a key interdependency between Oracle and the budget system. The main structure will be completed late 2008, for inclusion in the development of the Budget System account structure requirements. Final design of the COA is March 2009 which relates well with the Budget system schedule of budget business process completion by June 2009. - Organizational structure is a key interdependency between PeopleSoft and the budget system. This is scheduled for completion March 2009 which relates well with the Budget system schedule of budget business process completion by June 2009. - If needed, the Budget Systems project team will build a crosswalk to ensure that users will be able to reconcile budgets from new to legacy financial systems in the case of a slippage in the EBS implementation schedule.	2	4 Yellow	- Development of the Chart of Accounts by September 2008 and March 2009; and Development of the Org structure is schedule for completion March 2009. - This will be identified as part of the critical paths for the Budget System implementation and monitored. - The refined implementation plan will include development of a crosswalk from legacy to new COA, if needed, to ensure that users are able to reconcile their capital budget in the event of an Oracle Financial project slippage.
There may be pressure to increase Budget system scope an schedule over first 3 years increasing overall risk.	2	2	4 Yellow	- Scope assumptions are identified in the implementation plan for review and approval through the governance process.	1	2 Green	- Scope assumptions will be specifically identified in a budget system implementation plan. - Change management will be strictly followed and issues escalated through the governance process.
A change in the county's accounting business process to a project centric approach will impact the capital budget system implementation in that users will be required to use the new COA and project centric accounts while still using the old COA for operating budget development.	2	3	6 Yellow	- This problem will impact the capital budget system users only. The project plan has identified training of users on how to use the system.	2	4 Yellow	- Training will need to be coordinated with the Financial system project and the Org. change management team.

Table 6:   Budget Systems Risk Assessment

Severity of Risk. Scores are 1 to 3. 1 = low 2 = medium 3 = high Probability of occurrence without mitigation. Scores are 1 to 3. 1 = low 2 = medium 3 = high Combined Risk (Severity x Probability) Green = 1 - 3, Yellow = 4 - 6, Red = 7 - 9						
The new Chart of Accounts has not been completed. If a budget system is developed without a new chart of accounts, the budget system will need significant and costly modifications once the new financial system is developed. Budgets developed in the budget system will not be useful without costly modifications.	3	2	6 Yellow	- The current schedule for completion of a major portion of the Chart of Accounts is September 2008. This is necessary to support the initiation of the Oracle Financials implementation effort to begin January 2009. Chart of Account specification will need to be completed by March 2009.	1	3 Green	'- Development of the Chart of Accounts by September 2008 and March 2009; - This will be monitored.
The budget process review and development has not been completed. This needs to be completed before a phased implementation of the budget system is initiated.	2	2	4 Yellow	-The budget process review is the first phase of the budget system implementation project. A six month effort is identified for budget process development.	1	2 Green	- A detailed statement of work will be developed with Neubrain which will include refinement of the implementation plan.

ABT PROGRAM
Accountable Business Transformation

APPENDIX A: BUDGET REVIEW COMMITTEE CHARTER

Appendix A: Budget Review Committee Charter

Budget process review and system evaluation committee

As part of the Accountable Business Transformation (ABT) Program, King County will evaluate and select a budget system that will be integrated with Oracle Financials and PeopleSoft Human Capital Management and Payroll, and supports performance-based budgeting practices. The functional and technical requirements for the new system are defined in the Budget System Requirements Document submitted with the ABT High Level Business Plan. The requirements document will form the basis of a Request for Proposals (RFP) for budget system software that will be issued in first quarter 2008.

To evaluate and select a countywide budget system, the ABT Program identified three key objectives:

- To review and develop a countywide budget development process that reflects best budget practices for the public sector,

- To develop and implement an evaluation process for the selection of a budget system that meets the county's functional and technical requirements; and

- To develop a schedule for implementing a selected budget system countywide.

Approach

The ABT Program has formed a Budget Review Committee to achieve these objectives. The group consists of budget subject matter experts from a representative sample of county agencies and OMB.

- The committee will be chaired by the ABT Program Budget Lead.

- The committee will work with a facilitator (to be engaged by ABT Program Manager) in developing a proposed budget business process that will be presented to the larger budget SME group for review and adoption. Business process issues will be presented to the ABT governance process for resolution.

- The committee will also be responsible for providing a recommendation to the ABT Program Manager as to a selection and implementation schedule of a countywide budget system that meets King County's functional and technical requirements, as described in the ABT Budget System Business Requirements Document.

- The ABT PMO Office will provide administrative and analytical support to the review committee as needed.

Committee Responsibilities:

Budget Business Process:

- Review and evaluate budget business best practices for public sector governments similar to King County as presented and recommended by ABT Program staff.

- Review and evaluate for concurrence a recommendation for a budget business process to be supported by a countywide budget system.

Budget System Evaluation:

- Review and concur with an evaluation criteria and scoring process to be included in a Request for Proposal (RFP) soliciting vendors for a budget system proposal.

- Review and comment on the RFP document regarding content completeness, and accuracy.

- Evaluate the top two or three proposals responding to the budget system RFP and recommend a short list of products for demos and site visits. ABT Program staff will provide the Committee with an evaluation of all proposals and recommended top two to three proposals.

- Review guided demo scripts and data sets for short listed vendors that will demonstrate the functionality and product features of the proposed systems.

- Attend demos and visit public sector organizations with installed systems. ABT Program staff will check vendor references.

- Evaluate the short listed proposals using the established criteria and make a recommendation on product selection to be forwarded to the ABT Program decision makers.

- The committee should complete these responsibilities by March 2008.

Deliverables:

- A proposed budget business process that will be presented to the larger budget SME group for review and adoption.

- A recommendation to the ABT Program Manager as to a selection and implementation schedule of a countywide budget system that meets King County's functional and technical requirements.

- Budget process site visit/conference call notes.

- Agreed upon budget system evaluation criteria and process.

- Budget system evaluation and selection recommendation notes.

    o   Demo Notes

    o   Site visits and conference call notes

Group Membership

Representation/Role	Agency	Name
1. Team lead[1]	ABT Budget Lead	Warner Danielson
2. OMB operating	OMB	Jim Walsh
3. OMB capital	OMB	Evelyn Wise
4. Complex special revenue agency	DCHS	Randy Inouye
	SKCPH	Yinka Otusanya
	DPH	Laura Federighi
5. Internal service agency[2]	OIRM	Dana Spencer
6. Enterprise agency	DNRP	John Bodoia
	DOT	Jill Krecklow
7. Legislative Branch	Council Staff	Shelley Sutton
8. Performance management	Executive Office	Michael Jacobson

Committee Sponsorship and Oversight

The ABT Program Manager is the committee sponsor. The sponsor's responsibilities include:

- Act as an advocate for team priorities.

- Provide resources necessary for the work of the team.

- Provide direction or decisions on issues identified by the team.

- Facilitate the decision-making process of groups/individuals external to the team, ensuring it is timely.

- Provide assistance as needed with other sections, divisions, departments, jurisdictions, and organizations.

Sponsor expectations of the team include:

- The Budget Lead will develop a plan for RFP evaluation and site visits agreed to by the committee.

- The Budget Lead will submit a minimum of two progress reports a month regarding committee status.

- The committee will work within the defined charter unless the sponsor specifically agreed to make changes.

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[1] This position was vacated January 25, 2008 with Warner Danielson's resignation. Rick Takeuchi assumed administrative lead responsibilities; and the Program Manager assumed chair responsibilities.
[2] OIRM representative changed with the temporary assignment of Dana Spencer to HRD. Jim Keller was identified as the new OIRM representative, March 2008.